

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

Writ Petition No.6138 of 2007

Ghanshyam Complex CHS
Ltd.

..Petitioner

vs.

1. State of Maharashtra
and others

..Respondents

Shri V.C.Ghosalkar for petitioner.
Shri V.S.Mhaispurkar, A.G.P. for respondent
nos.1 to 3.

**CORAM: S.C.DHARMADHIKARI J.
21st NOVEMBER, 2007**

P.C.

1. Rule. Heard Shri Ghosalkar appearing for the petitioner and Shri Mhasipuar, A.G.P. for respondents. Petition is taken up for hearing by consent.

2. The petitioner society is aggrieved by the direction of re-audit issued by the District Deputy Registrar, Cooperative Societies, Thane.

3. The grievance of the petitioner is that the society's accounts are directed to be reaudited without any prior notice to the society and without requisite satisfaction as contemplated by sub-sec.(6) of section 81 of the Maharashtra

Cooperative Societies Act, 1960.

4. The grievance made by four members of the society to the District Deputy Registrar is the basis for the directions. Before the District Deputy Registrar ordered reaudit, in the facts of this case, it would have been just, fair and proper on his part to have first directed the society to produce for his inspection necessary Books of Account and Records. That having not been done and straightway an order of reaudit passed, is something, which would prejudice the society.

5. There is substance in this complaint of the society before me. It is not disputed that there are enough powers available to the District Deputy Registrar to correct errors or to take action in respect of the acts of omission and commission, if any, on the part of the society, while maintaining and keeping accounts. In such circumstances, in the peculiar facts of this case, the direction issued to reaudit deserves to be quashed and set aside. It is accordingly quashed and set aside.

6. Instead the petitioners can be called upon to produce before the District Deputy Registrar all Account Books and relevant record of the society so also make available for his inspection if directed, related documents and papers. The petitioners have agreed to do so. Accordingly, it would be open for the District Deputy Registrar to direct production of the Books of Account and related records so also seek clarifications if necessary. By granting liberty to the District Deputy Registrar as above, the present petition is allowed. Rule is made absolute in terms of prayer clause (a). There will be no order as to costs.

(S.C.DHARMADHIKARI J.)